

transferred to a municipal corporation for undesignated general purposes or to the expenditure of grants, gifts, bequests or devises transferred to a municipal corporation in trust for specific purposes which were received in a prior year. Expenditure of grants, gifts, bequests and devises exempt from subsection (1) of this section by this subsection shall be lawful only after enactment by the governing body of the municipal corporation of appropriation ordinances or resolutions authorizing the expenditure.

(3) Subsection (1) of this section shall not apply whenever the governing body of a port, dock commission or people's utility district or of a public utility or a hospital operation of a municipal corporation has declared the existence of an unforeseen occurrence or condition which could not have been foreseen at the time of the preparation of the budget for the current year or could not have foreseen a pressing necessity for the expenditure or has received a request for services or facilities, the cost of which shall be supplied by a private individual, corporation or company or by another governmental unit necessitating a greater expenditure of public money for any specific purpose or purposes than the amount budgeted therefor in order to provide the services for which it was responsible. Such governing body may make excess expenditures for such specific purpose or purposes beyond the amount budgeted and appropriated therefor to the extent that maintenance, repair or self-insurance reserves authorized by ORS 294.366 or nontax funds are available or may be made available. Such expenditures shall be lawful only after the enactment of appropriate appropriation ordinances or resolutions authorizing the expenditures. The ordinance or resolution shall state the need for the expenditure, the purpose for the expenditure and the amount appropriated.

(4) Subsection (1) of this section shall not apply to the expenditure during the current year of the proceeds from the sale of bonds, whenever the approval of the bond issue by the people occurs after the budget for the current year has been adopted by the governing body and the bond sale occurs in the same year as the approval of the bond. However, subsection (1) of this section shall apply to the expenditure of money from sale of bonds which were approved by the people prior to the preparation of the current year's budget or which were sold in a prior year and carried forward into the current year.

(5) Subsection (1) of this section shall not apply to expenditures of funds received from assessments against benefited property for improvements as defined in ORS 223.205 (2) if at

least 80 percent of the total cost of such improvements is to be paid by owners of benefited property.

(6) Subsection (1) of this section shall not apply to the expenditure of funds accumulated to pay deferred employee compensation.

(7) Subsection (1) of this section shall not apply to refunds or the interest on them granted by counties under ORS 311.806.

(8) Subsection (1) of this section shall not apply to refunds, received by a municipal corporation when purchased items are returned after an expenditure has been made. Expenditure of refunded amounts to which this subsection applies shall be lawful only after the governing body of the municipal corporation has enacted, after public hearing, appropriate appropriation ordinances or resolutions authorizing such expenditure. [1963 c.576 §4; 1965 c.451 §2; 1977 c.102 §2; 1979 c.310 §1]

294.330 [Repealed by 1963 c.576 §44]

294.331 Budget officer. The governing body of each municipal corporation shall, unless otherwise provided by county or city charter, designate one person to serve as budget officer. The budget officer, or the person or department designated by charter and acting as budget officer, shall prepare or supervise the preparation of the budget document. The budget officer shall act under the direction of the executive officer of the municipal corporation, or where no executive officer exists, under the direction of the governing body. [1963 c.576 §5]

294.335 [Repealed by 1963 c.576 §44]

294.336 Budget committee. (1) Except as provided in ORS 294.341, the governing body of each municipal corporation shall establish a budget committee in accordance with the provisions of this section.

(2) The budget committee shall consist of the members of the governing body and a number, equal to the number of members of the governing body, of electors of the municipal corporation appointed by the governing body; if there are electors fewer than the number required, the governing body and the electors who are willing to serve shall be the budget committee; and if there are no electors willing to serve, the governing body shall be the budget committee.

(3) The members of the budget committee shall receive no compensation for their services as members of such committee.

(4) Appointive members of the budget committee shall not be officers, agents or employees of the municipal corporation.

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(5) The appointive members of the budget committee shall be appointed for terms of three years. The terms shall be staggered so that one-third or approximately one-third of the terms of the appointive members end each year.

(6) If any appointive member is unable to serve the term for which the member was appointed, or an appointive member resigns prior to completion of the term for which the member was appointed, the governing body of the municipal corporation shall fill the vacancy by appointment for the unexpired term.

(7) If the number of members of the governing body is reduced or increased by law or charter amendment, the governing body of the municipal corporation shall reduce or increase the number of appointive members of the budget committee so that the number thereof shall be equal to but not greater than the number of members of the governing body. To effect a reduction, the governing body of the municipal corporation may remove such number of appointive members as may be necessary. The removals shall be made so that the number remaining will be divided into three equal or approximately equal groups as to terms. In case of an increase, additional appointive members shall be appointed for such terms so that they, together with the members previously appointed, will be divided into three equal or approximately equal groups as to terms.

(8) The budget committee shall at its first meeting after its appointment elect a chairman and a secretary from among its members. [1963 c.576 §6; 1973 c.61 §1; 1979 c.310 §2]

294.340 [Repealed by 1963 c.576 §44]

294.341 Governing body of certain municipal corporations to be budget committee. The governing body of each municipal corporation having a population exceeding 100,000 and which is located in a county having a tax supervising and conservation commission shall be the budget committee for such municipal corporation. [1963 c.576 §7]

294.345 [Amended by 1953 c.715 §2; 1955 c.250 §1; 1957 c.673 §3; repealed by 1963 c.576 §44]

294.347 [1953 c.715 §3; repealed by 1963 c.576 §44]

294.348 [1957 c.673 §2; repealed by 1963 c.576 §44]

294.350 [Amended by 1953 c.715 §2; 1957 c.673 §4; repealed by 1963 c.576 §44]

294.351 [1963 c.576 §8; 1965 c.451 §3; 1971 c.516 §1; 1979 c.310 §3; repealed by 1979 c.686 §2 (294.352 enacted in lieu of 294.351)]

294.352 Estimates of expenditures required; form and contents. (1) Each

municipal corporation shall prepare estimates of expenditures for the ensuing year.

(2) The estimates required by subsection (1) of this section shall be prepared by organizational unit or by program.

(3) Estimates required by subsection (1) of this section and prepared by organizational unit shall be detailed under separate object classifications of personal services, materials and services and capital outlay. Separate estimates shall be made for special payments, debt service, interfund revenue transfers, operating expenses and general capital outlays which cannot reasonably be allocated to an organizational unit.

(4) Estimates required by subsection (1) of this section and prepared by program shall be arranged for each activity of a program. Estimates under each activity shall be detailed under separate object classifications of personal services, materials and services and capital outlay. Separate estimates shall be made for each program for special payments, debt service, interfund revenue transfers, operating expenses and general capital outlays which cannot reasonably be allocated to an activity within a function. For common and union high school districts and community colleges, estimates required by this subsection shall be further detailed by object within each object classification.

(5) Estimates of expenditures for personal services, other than services of persons who receive an hourly wage or who are hired on a part-time basis, shall list the salary for each officer and employee, except that employees of like classification and salary range, (such range not to exceed that established by the governing body of the municipal corporation in accordance with its policy for setting salaries) in each organizational unit or activity may be listed by the number of those employees, the limits of each salary range and the amount of their combined salaries.

(6) The general capital outlay estimate shall include separate amounts for land, buildings, improvements to land other than buildings and machinery and equipment which cannot be reasonably allocated to an organizational unit or activity.

(7) The debt service estimates shall include separate amounts for principal and interest of each bond issue in each fund.

(8) There may be included in each fund an estimate for general operating contingencies.

(9) If the estimates required by subsection (1) of this section are not prepared by fund, there shall be prepared a summary which cross-refer-